

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 98-118

April 30, 1998

NORTHERN UTILITIES, INC.
Proposed Cost of Gas
Adjustment for Summer
Period May 1, 1998 through
October 31, 1998

ORDER

WELCH, Chairman; NUGENT and HUNT, Commissioners

SUMMARY OF ORDER

We approve Northern Utilities, Inc.'s proposed summer cost of gas rate schedules for effect beginning May 1, 1998 through October 31, 1998.

PROCEDURAL HISTORY

On February 24, 1998, Northern Utilities, Inc. (Northern), filed its proposed Cost of Gas Adjustment (CGA) for the summer period May 1, 1998 through October 31, 1998 along with the direct testimony and exhibits of Michael J. Harn, Rate Analyst. On March 9, 1998, the Advisory Staff issued data requests to the Company. The Company provided written responses on March 16, 1998.

The Commission issued a Notice of Application on March 24, 1998, establishing a deadline for intervention of April 1, 1998. The Office of the Public Advocate (OPA) intervened. The Commission held a preliminary hearing in this matter on April 2, 1998¹ at which the Company informed the Staff that it would file any updates or revisions to its filing by April 9, 1998. The Staff indicated that, based on its review to date, it would recommend approval of the filing.

DECISION

The Advisory Staff recommends that we approve the Company's proposed rate schedules, MPUC No. 13, Twenty-seventh Revised Sheet No. 20.1, Twenty Fifth Revised Sheet No. 20.2, and Thirty-sixth Revised Sheet 15.1, attached and incorporated herein, on the basis that the rates are prepared in accordance with the requirements of Chapter 43 and the Company's supply planning appears reasonable. The Company further agrees to be

¹ The OPA did not attend and has not otherwise indicated any objection to the proposed rates.

bound by the provisions for mid-course correction as outlined in paragraphs 7a and 7b of past, routinely-approved CGA stipulations. See Order Approving Stipulation, Docket No. 96-079 (MPUC April 26, 1996).

For a typical customer using 5 therms per month, the Company's proposal represents a minimum decrease of 1.89% and a maximum decrease of 4.13% at the 200 therm consumption level compared to the rates last in effect during the previous summer period of 1997.

In addition, the Advisory Staff reports that it has reviewed the Company's proposed Environmental Cost Recovery Adjustment (ERCA) proposed 3rd Revised Sheet No. 34.3, (attached) for effect with this CGA and does not take issue with it.

On the basis of Advisory Staff's review and recommendation, we approve the proposed rate schedules.

Accordingly, we

O R D E R

1. That Northern Utilities, Inc.'s proposed MPUC No. 13, Twenty-seventh Revised Sheet No. 20.1, Twenty-fifth Revised Sheet No. 20.2, Thirty-sixth Revised Sheet 15.1, and Third Revised Sheet No. 34.3, are approved for effect May 1, 1998 through October 31, 1998.

Dated at Augusta, Maine, this 30th day of April, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent

COMMISSIONER HUNT DID NOT PARTICIPATE IN THIS DECISION